

UNITED STATES DISTRICT COURT
Filed

NORTHERN DISTRICT OF CALIFORNIA
JUN 15 2006

RICHARD W. WIEKING
CLERK, U.S. DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA
SAN JOSE

SAN JOSE DIVISION

~~SEALED BY ORDER
OF COURT~~

THE UNITED STATES OF AMERICA

vs.

LAN LEE, a/k/a Lan Li and YUEFEI GE

INDICTMENT

COUNT ONE: Title 18, United States Code, Section 1832(a)(5)– Conspiracy

COUNTS TWO and FIVE: Title 18, United States Code, Section 1832(a)(1)-- Theft of Trade Secrets; Title 18, United States Code, Section 2- Aiding and Abetting

COUNTS THREE and SIX: Title 18, United States Code, Sections 1832(a)(3)– Theft of Trade Secrets; Title 18, United States Code, Section 2- Aiding and Abetting

COUNT FOUR: Title 18, United States Code, Section 1832(a)(2)– Theft of Trade Secrets; Title 18, United States Code, Section 2- Aiding and Abetting

A true bill.

John Peeler
Foreperson

Filed in open court this 15 day of June

A.D. 2006

[Signature]
Magistrate Judge

Bail. \$ Arrest warrant - no bail)

DOCUMENT NO.	CSA's INITIALS
<u>1</u>	
DISTRICT COURT	
CRIMINAL CASE PROCESSING	

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Filed

JUN 15 2006

RICHARD W. WIEKING
CLERK, U.S. DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA
SAN JOSE

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**SEALED BY ORDER
OF COURT**

6
7 UNITED STATES DISTRICT COURT

8 NORTHERN DISTRICT OF CALIFORNIA

9 SAN JOSE DIVISION

10 DR

11 06 00424

RS

JW

12 UNITED STATES OF AMERICA,)
13 Plaintiff,)
14 v.)
15 LAN LEE,)
16 a/k/a Lan Li, and)
YUEFEI GE,)
17 Defendants.)

No.

VIOLATIONS: 18 U.S.C. § 1832(a)(5) –
Conspiracy; 18 U.S.C. §§ 1832(a)(1), (a)(2),
& (a)(3) – Theft of Trade Secrets; 18 U.S.C.
§ 2 – Aiding and Abetting

SAN JOSE VENUE

18 INDICTMENT

19 The Grand Jury charges:

20 Background:

21 1. At all times relevant to this Indictment;

22 a. NetLogic Microsystems (“NLM”) was a computer chip design and development
23 company located in Mountain View, California. Among other products, NLM was designing and
24 developing a network co-processor chip, designated the CAM-3, a.k.a. NSE-5512, a.k.a. NSE-5512-
25 GLC. (The NSE-5512-GLC chip was a version developed exclusively for sale to a particular
26 customer.) The CAM-3 chips were included in NLM products that were sold and shipped, and
27 intended to be sold and shipped, in interstate and foreign commerce. NLM data sheets were
28 confidential top-level technical descriptions of their products. Defendant LAN LEE was employed

INDICTMENT

1 by NLM from September 2001 until July 2003. Defendant YUEFEI GE was employed by
2 NLM from February 2002 until July 2003.

b. Taiwan Semi-Conductor Manufacturing Company (“TSMC”) was a computer chip manufacturing company with facilities located in Taiwan; San Jose, California; Singapore; and Washington State. TSMC utilized computer programs, including software designated as TSMC Spice Model 0.13µm Logic Salicide, which included TSMC’s proprietary and confidential parameters, to facilitate its manufacture of computer chips. TSMC Spice Model 0.13µm Logic Salicide was used by NLM to develop products that were sold and shipped, and intended to be sold and shipped, in interstate and foreign commerce.

10 c. SICO Microsystems Inc. ("SICO") was a Delaware corporation, created by
11 defendant LAN LEE for the purpose of obtaining venture capital to develop and sell products based
12 upon trade secrets stolen from NLM and TSMC.

13 d. Beijing FBNI Electronic Technology Development Company, Ltd. (“FBNI”), was
14 a venture capital company operated by an individual named Baisen Liu, in Beijing, China (“PRC”),
15 that could provide venture capital to SICO. SICO agreed with FBNI to develop and sell
16 microprocessor chips and to assist in securing funding for SICO.

17 | COUNT ONE: (18 U.S.C. § 1832(a)(5))

18 2. The factual allegations contained in paragraph 1 above are incorporated herein as if set
19 forth in full.

20 3. On or about a date unknown but at least by May 3, 2002, and continuing to on or about
21 July 29, 2003, in the Northern District of California and elsewhere, the defendants

LAN LEE,
a/k/a Lan Li, and
YUEFEI GE,

24 did knowingly conspire and agree with each other and other persons known and unknown to the
25 Grand Jury to commit Theft of Trade Secrets, in violation of 18 U.S.C. §§ 1832(a)(1), (a)(2), &
26 (a)(3).

27 4. It was part of the conspiracy that the defendants and other persons would and did
28 establish and promote SICO to produce and sell microprocessors.

INDICTMENT

1 5. It was further part of the conspiracy that the defendants and other persons would and
2 did attempt to recruit others to SICO.

3 6. It was further part of the conspiracy that the defendants intended and planned to obtain
4 venture capital to finance SICO.

5 7. It was further part of the conspiracy that the defendants used stolen trade secrets from
6 NLM and TSMC to advance the business interests of SICO.

7 8. In furtherance of the agreement and to effect its objects, the defendants committed,
8 among others, the following overt acts in the Northern District of California and elsewhere:

9 a. On or about May 6, 2002, defendant LAN LEE caused to be filed a
10 "CERTIFICATE OF INCORPORATION OF Sico Microsystems Inc." with the Delaware
11 Secretary of State, Division of Corporations.

12 b. On or about a date unknown but between May 3, 2002 and July 29, 2003,
13 defendant LAN LEE downloaded TSMC's Spice Model 0.13µm Logic Salicide from NLM's
14 Hard Blade-00 internal server and installed it on his home computer.

15 c. On or about a date unknown but between May 3, 2002 and July 29, 2003,
16 defendant YUEFEI GE installed NLM - CAM 3 data sheets on his home computer.

17 d. On or about July 29, 2003, defendant LAN LEE possessed on his home
18 computer a cooperation agreement, dated April 4, 2003, between SICO and FBNI. The
19 agreement set out the terms of business between the parties, including FBNI's agreement to
20 provide venture capital to SICO.

21 e. On or about July 29, 2003, defendant LAN LEE possessed a document titled
22 "SICO Executive Summary" on his home computer.

23 f. On or about July 29, 2003, defendant LAN LEE possessed on his laptop
24 computer, and defendant YUEFEI GE possessed on his home computer, copies of a letter to a
25 "Professor Jiang," in PRC, dated June 29, 2002, discussing potential SICO products.

26 g. On or about July 29, 2003, defendant LAN LEE possessed a document on his
27 laptop computer which was a SICO business plan, dated April 15, 2002.

28 h. On or about July 29, 2003, defendant LAN LEE possessed materials containing

INDICTMENT

1 the trade secrets described in Counts 5 and 6 of this Indictment belonging to TSMC.

2 i. On or about July 29, 2003, defendant YUEFEI GE possessed materials
3 containing the trade secrets described in Counts 2, 3, and 4 of this Indictment belonging to
4 NLM.

5 All in violation of Title 18, United States Code, Section 1832(a)(5).

6 COUNT TWO: (18 U.S.C. §§ 1832(a)(1) & 2)

7 9. The factual allegations contained in paragraphs 1-8 above are incorporated herein as if
8 set forth in full.

9 10. On or about a date unknown but between May 3, 2002 and July 29, 2003, in the
10 Northern District of California, the defendants

11 YUEFEI GE, and
12 LAN LEE,
a/k/a Lan Li,

13 with intent to convert trade secrets belonging to NLM to the economic benefit of someone other
14 than the owners thereof, which trade secrets are related to and included in products that are
15 produced for and placed in interstate and foreign commerce, did knowingly steal and without
16 authorization appropriate, take, carry away, and conceal, and by fraud, artifice, and deception
17 obtain such information, including the trade secrets identified as follows: NLM - CAM 3 data
18 sheets, intending and knowing that the offense would injure NLM.

19 All in violation of Title 18, United States Code, Sections 1832(a)(1) and 2.

20 COUNT THREE: (18 U.S.C. §§ 1832(a)(3) & 2)

21 11. The factual allegations contained in paragraphs 1-8 above are incorporated herein as
22 if set forth in full.

23 12. On or about July 29, 2003, in the Northern District of California, the defendants

24 YUEFEI GE, and
25 LAN LEE,
a/k/a Lan Li,

26 with intent to convert trade secrets belonging to NLM to the economic benefit of someone other
27 than the owners thereof, which trade secrets are related to and included in products that are
28 produced for and placed in interstate and foreign commerce, did knowingly possess such

INDICTMENT

1 information, including the trade secrets identified as follows: NLM - CAM 3 data sheets,
2 knowing the same to have been stolen and appropriated, obtained, and converted without
3 authorization, and intending and knowing that the offense would injure NLM.

4 All in violation of Title 18, United States Code, Sections 1832(a)(3) and 2.

5 COUNT FOUR: (18 U.S.C. §§ 1832(a)(2) & 2)

6 13. The factual allegations contained in paragraphs 1-8 above are incorporated herein as
7 if set forth in full.

8 14. On or about a date unknown but between May 3, 2002 and July 29, 2003, in the
9 Northern District of California, the defendants

10 YUEFEI GE, and
11 LAN LEE,
a/k/a Lan Li,

12 with intent to convert trade secrets belonging to NLM to the economic benefit of someone other
13 than the owners thereof, which trade secrets are related to and included in products that are
14 produced for and placed in interstate and foreign commerce, did knowingly without authorization
15 copy, duplicate, and alter a trade secret belonging to NLM, and intending and knowing that the
16 offense would injure NLM.

17 15. Specifically, the defendants knowingly altered a trade secret belonging to
18 NLM and identified as follows: NLM - CAM 3 data sheets, by removing the NLM logo and
19 confidential markings and inserting "SICO."

20 All in violation of Title 18, United States Code, Sections 1832(a)(2) and 2.

21 COUNT FIVE: (18 U.S.C. §§ 1832(a)(1) & 2)

22 16. The factual allegations contained in paragraphs 1-8 above are incorporated herein as
23 if set forth in full.

24 17. On or about a date unknown but between May 3, 2002 and July 29, 2003, in the
25 Northern District of California, the defendants

26 LAN LEE
27 a/k/a Lan Li, and
YUEFEI GE,

28 with intent to convert trade secrets belonging to TSMC to the economic benefit of someone other

INDICTMENT

1 than the owners thereof, which trade secrets are related to and included in products that are
2 produced for and placed in interstate and foreign commerce, did knowingly steal and without
3 authorization appropriate, take, carry away, and conceal, and by fraud, artifice, and deception
4 obtain such information, including the trade secrets identified as follows: TSMC – Spice Model
5 0.13µm Logic Salicide computer software program, and intending and knowing that the offense
6 would injure TSMC.

7 All in violation of Title 18, United States Code, Sections 1832(a)(1) and 2.

8 COUNT SIX: (18 U.S.C. §§ 1832(a)(3) & 2)

9 18. The factual allegations contained in paragraphs 1-8 above are incorporated herein as
10 if set forth in full.

11 19. On or about July 29, 2003, in the Northern District of California, the defendants

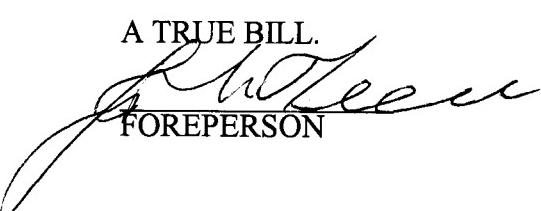
12 LAN LEE
13 a/k/a Lan Li, and
14 YUEFEI GE,

15 with intent to convert trade secrets belonging to TSMC to the economic benefit of someone other
16 than the owners thereof, which trade secrets are related to and included in products that are
17 produced for and placed in interstate and foreign commerce, did knowingly possess such
18 information, including the trade secrets identified as follows: TSMC – Spice Model 0.13µm
19 Logic Salicide computer software program, knowing the same to have been stolen and
20 appropriated, obtained, and converted without authorization, and intending and knowing that the
offense would injure TSMC.

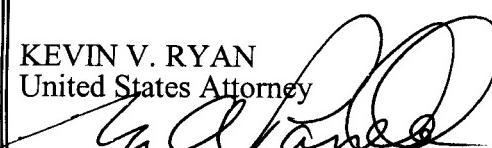
21 All in violation of Title 18, United States Code, Sections 1832(a)(3) and 2.

22 DATED: 6-15-06

A TRUE BILL.

23 
FOREPERSON

24 KEVIN V. RYAN
25 United States Attorney

26 
MATTHEW A. PARRELLA
27 Chief, San Jose Branch

28 (Approved as to form:  AUSA PARRELLA)

INDICTMENT

DEFENDANT INFORMATION RELATIVE TO A CRIMINAL ACTION - IN U.S. DISTRICT COURT

EY: COMPLAINT INFORMATION INDICTMENT
 SUPERSEDING

OFFENSE CHARGED

Count One- 18 U.S.C. § 1832(a)(5)--Conspiracy
Counts Two and Five- 18 U.S.C. §§ 1832(a)(1)
and 2- Theft of Trade Secrets; Aiding & Abetting
Counts Three and Six- 18 U.S.C. §§ 1832(a)(3)
and 2-Theft of Trade Secrets; Aiding & Abetting
Count Four- 18 U.S.C. §§ 1832 (a)(2) and 2-
Theft of Trade Secrets; Aiding & Abetting

- Petty
 Minor
 Misdemeanor
 Felony

PENALTY:

Maximum Penalty- Ten (10) Years Imprisonment;
\$250,000 Fine; Minimum Three (3) Years Supervised Release;
\$100 Special Assessment

PROCEEDING

Name of Complainant Agency, or Person (&Title, if any), if any, *JUN 15 2006*
FBI- David Sieber, Special Agent

RICHARD W. WIEKING
CLERK, U.S. DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA
SAN JOSE

person is awaiting trial in another Federal or State Court, give name of court

this person/proceeding is transferred from another district per (circle one) FRCrP 20, 21 or 40. Show District

this is a reprocution of charges previously dismissed which were dismissed on motion of:

U.S. Att'y Defense

this prosecution relates to a pending case involving this same defendant

prior proceedings or appearance(s) before U.S. Magistrate regarding this defendant were recorded under

SHOW DOCKET NO.

MAGISTRATE CASE NO.

Name and Office of Person Furnishing Information on THIS FORM

KEVIN V. RYAN

U.S. Att'y Other U.S. Agency

Name of Asst. U.S. Att'y (if assigned)

MATTHEW A. PARRELLA

Name of District Court or Judge/Magistrate Location
SEALED BY ORDER
OF THE COURT
DEFENDANT - U.S.

LAN LEE, a/k/a Lan Li and YUEFEI GE

DISTRICT COURT NUMBER
06cr1034 JW

RS

DEFENDANT**IS NOT IN CUSTODY**

- 1) Has not been arrested, pending outcome this proceeding.
If not detained give date any prior summons was served on above charges
- 2) Is a Fugitive
- 3) Is on Bail or Release from (show District)

IS IN CUSTODY

- 4) On this charge
- 5) On another conviction
- 6) Awaiting trial on other charges } Fed'l State
- If answer to (6) is "Yes", show name of institution

Has detainer been filed? Yes No If "Yes" give date filed _____

DATE OF ARREST Month/Day/Year

Or... if Arresting Agency & Warrant were not

Month/Day/Year

DATE TRANSFERRED TO U.S. CUSTODY

This report amends AO 257 previously submitted

ADDITIONAL INFORMATION OR COMMENTS**PROCESS:**

SUMMONS NO PROCESS* WARRANT Bail Amount: No Bail

If Summons, complete following:

Arraignment Initial Appearance

Defendant Address:

*Where defendant previously apprehended on complaint, no new summons or warrant needed, since Magistrate has scheduled arraignment

Date/Time: _____

Before Judge: _____

Comments:

~~DEFENDANT INFORMATION RELATIVE TO A CRIMINAL ACTION - IN U.S. DISTRICT COURT~~BY: COMPLAINT INFORMATION INDICTMENT SUPERSEDING

OFFENSE CHARGED

~~SEALED BY ORDER
OF THE COURT~~

Count One- 18 U.S.C. § 1832(a)(5)--Conspiracy
 Counts Two and Five- 18 U.S.C. §§ 1832(a)(1)
 and 2- Theft of Trade Secrets; Aiding & Abetting
 Counts Three and Six- 18 U.S.C. §§ 1832(a)(3)
 and 2-Theft of Trade Secrets; Aiding & Abetting
 Count Four- 18 U.S.C. §§ 1832 (a)(2) and 2-
 Theft of Trade Secrets; Aiding & Abetting

PENALTY:

Maximum Penalty- Ten (10) Years Imprisonment;
\$250,000 Fine; Minimum Three (3) Years Supervised Release;
\$100 Special Assessment

PROCEEDING

Name of Complainant Agency, or Person (&Title, if any)

FBI- David Sieber, Special Agent

 person is awaiting trial in another Federal or State Court, give name of court this person/proceeding is transferred from another district per (circle one) FRCrP 20, 21 or 40. Show District this is a reprocution of charges previously dismissed which were dismissed on motion of: U.S. Att'y Defense this prosecution relates to a pending case involving this same defendant prior proceedings or appearance(s) before U.S. Magistrate regarding this defendant were recorded under

SHOW DOCKET NO.

MAGISTRATE CASE NO.

Name and Office of Person Furnishing Information on THIS FORM

KEVIN V. RYAN

 U.S. Att'y Other U.S. Agency

Name of Asst. U.S. Att'y (if assigned)

MATTHEW A. PARRELLA

ADDITIONAL INFORMATION OR COMMENTS

PROCESS:

 SUMMONS NO PROCESS* WARRANT Bail Amount: No Bail

If Summons, complete following:

 Arraignment Initial Appearance

Defendant Address:

*Where defendant previously apprehended on complaint, no new summons or warrant needed, since Magistrate has scheduled arraignment

Date/Time:

Before Judge:

Comments:

Name of District Court, and/or Judge/Magistrate Location

NORTHERN DISTRICT OF CALIFORNIA

JUN 15 2006

DEFENDANT - U.S.

RICHARD W. WIEKING
CLERK, U.S. DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA
SAN FRANCISCO, CA

LAN LEE, a/k/a Lan Li and YUEPEI LI

RS

DISTRICT COURT NUMBER

CR 06 00424 JW

DEFENDANT

IS NOT IN CUSTODY

- Has not been arrested, pending outcome this proceeding.
- 1) If not detained give date any prior summons was served on above charges
 - 2) Is a Fugitive
 - 3) Is on Bail or Release from (show District)

IS IN CUSTODY

- 4) On this charge
 - 5) On another conviction
 - 6) Awaiting trial on other charges
- } Fed'l State
- If answer to (6) is "Yes", show name of institution

Has detainer been filed? Yes No } If "Yes" give date filed

DATE OF ARREST Month/Day/Year

Or... if Arresting Agency & Warrant were not Month/Day/Year

DATE TRANSFERRED TO U.S. CUSTODY Month/Day/Year

 This report amends AO 257 previously submitted